



U.S. Department of Justice

*United States Attorney
Northern District of New York*

100 South Clinton Street

*Room 900; P.O. Box 7198
Syracuse, New York 13261-7198
(315) 448-0672*

June 10, 2010

N E W S R E L E A S E

Richard S. Hartunian, United States Attorney for the Northern District of New York, announced today the sentencing of a Solvay man on federal tax and money laundering charges.

Donald Geiss, Jr., 34, was sentenced to 72 months imprisonment, to be followed by three years of supervised release, and ordered to pay \$1,671,552.90 in restitution to Intertek Testing Service located in Cortland, New York. Geiss was a former director of Health and Safety at Intertek. He pled guilty on February 21, 2010 to one count of tax evasion and one count of money laundering. Geiss admitted that he prepared and submitted false invoices to Intertek totaling \$1,630,407.00. These invoices fraudulently represented that services were provided to Intertek, which in fact never were provided. Geiss caused \$1,457,107.00 of the fraudulently obtained funds to be deposited into the Interest on Lawyer Account (IOLA) of attorney David Pelland. The monies were

then withdrawn from the Pelland account to pay various expenses, including Geiss' personal expenses. All fraudulently obtained funds were omitted from Geiss' federal income taxes which resulted in an under reporting of income to the IRS. In 2005 alone, Geiss under reported his taxable income by \$370,200.00 thereby evading tax due and owing in the amount of \$119,686.00.

David Pelland, 61, of Baldwinsville, pled guilty on May 4, 2010, to one count of conspiring to commit mail fraud in connection with his participation in the Intertek fraud scheme. He admitted that he allowed his IOLA account to be used to receive the funds Geiss fraudulently obtained from Intertek. Pelland is scheduled to be sentenced on September 3, 2010 at 10:00 am before Chief Judge Norman A. Mordue.

Chief Judge Mordue remanded Geiss to the custody of the Attorney General immediately following sentencing.

The investigation was conducted jointly by agents of the Internal Revenue Service and the Federal Bureau of Investigation. The case was prosecuted by AUSA Edward R. Broton.